

THE MESSAGE. SUPPLEMENT.

FOREIGN AFFAIRS.

To the Congress of the United States:
At the threshold of your deliberation I congratulate you upon the favorable aspect of the domestic and foreign affairs of this government. Our relations with other nations continue to be on a friendly footing with the Argentine Republic, Belgium, Brazil, Denmark, Hayti, Italy, San Domingo, Sweden and Norway. No incident has occurred which calls for special comment. The recent opening of new lines of telegraphic communication with Central America and Brazil, permitted the interchange of messages of friendship with the governments of those countries. During the year there have been perfected and proclaimed consular and commercial treaties with Serbia and a consular treaty with Roumania, thus extending intercourse with the Danubian countries, while our eastern relations have been upon a wide basis by treaties with Corea and Madagascar. The new boundary treaty with Mexico, and the trade-marks convention, and as a supplementary to the treaty of extradition with Spain, and the convention extending the duration of the Franco-American claims commission have also been procured.

THE FISHERIES.

Notice of the termination of the fisheries articles of the treaty of Washington was duly given to the British government. The privileges and exemptions of the British government, and the privileges and exemptions of the treaty will accordingly close on July 1, 1885. The fisheries industry pursued by a numerous class of our citizens on the northern coasts, both of the Atlantic and Pacific oceans, are worthy of the fostering of congress, whenever brought into competition with like industries of other countries. Our fishermen, as well as our manufacturers of fishing appliances and preparers of fish products, have maintained a foremost place. I suggest that congress create a commission to consider the question of our rights in the fisheries, and the means of opening to our citizens, under just and enduring conditions, the rich stocked fishing waters and whaling grounds of British and Russian North America.

PAUPER IMMIGRATION.

A question has arisen touching the importation to the United States from the British islands by governmental or municipal aid of persons unable to earn a living, and coming to the United States as pauper class, as defined by the law, have been sent back in accordance with the provisions of our statutes. Her Majesty's government has insisted that precautions have been taken before shipment. They have, however, in so many cases proven ineffectual, and especially so in certain recent instances of needy immigrants reaching our secretary through Canada, that a revision of our legislation upon this subject may be deemed advisable. Correspondence relative to the Clayton-Bulwer treaty has been continued and will be laid before congress.

THE AMERICAN HOG ABROAD.

The legislation of France against the importation of prepared swine produce has been repealed. The result has been no less due to the friendly representations of this government, and to the growing conviction in France that the restriction is not demanded by any real danger to health. Germany still prohibits the introduction of swine products from America. I extended to the imperial government a friendly invitation to send experts to the United States to inquire whether the use of these products was dangerous to health. This invitation was declined. I have believed it of such importance, however, that the exact facts should be ascertained and promulgated that I have appointed a competent commission to make a thorough investigation of the subject. Its members have shown their public spirit by accepting their trust without pledge of compensation, but I trust that congress will see in the national and international bearings of the matter a sufficient motive for providing at least for the reimbursement for such expense as they may necessarily incur.

THE RUSSIAN BEAR.

The coronation of the czar at Moscow afforded to this government an occasion for testifying its continued friendship by sending a special envoy—a representative of the navy—to attend the ceremony. While there have arisen no grave questions affecting the status in the Russian empire of American citizens of other faith than that held by the National church, this government remains firm in its convictions that the rights of citizens abroad should be in no way affected by their religious belief.

CUBA AND PORTO RICO.

It is understood that measures for the removal of the restrictions which now burden our trade with Cuba and Porto Rico are under consideration by the Spanish government. The proximity of Cuba and the peculiar method of administration which there prevails necessitates constant discussion and appeal on our part from the proceedings of the insular authorities. I regret to say that the just protests of this government have not as yet produced satisfactory results. The commission appointed to decide certain claims of our citizens against the Spanish government, after their recognition of a satisfactory rule as to the validity of the case, and force of naturalization in the United States, has finally adjourned. Some of its awards, though made more than two years ago, have not as yet been paid. The specie payment in expected claims to a large which were held by the late commission without its jurisdiction, has been diplomatically presented to the Spanish government. As the action of those colonial authorities which has given rise to these claims was admitted to be illegal, full reparation for the injuries sustained by our citizens should no longer be delayed. The case of the *Masonic* has not yet reached a settlement. The *Manila* court has found that the proceedings, of which this government has complained, were unauthorized, and it is hoped that the government of Spain will not withhold its speedy reparation which its sense of justice should impel it to offer for the unusual severity and unjust action of its subordinate colonial officers in the case of this vessel.

SWITZERLAND.

The Helvetic confederation has proposed the inauguration of a class of international treaties for the deferment of arbitration of grave questions between nations. This government has assented to the proposed negotiations of such a treaty with Switzerland. Under the treaty of Berlin the liberty of conscience and civil rights are assured to all strangers in Bulgaria.

BULGARIA.

As the United States have no distinct conventional relations with that country, and are not a party to the treaty, they should, in my opinion, maintain diplomatic representation at Sofia for the improvement of intercourse, and the proper protection of the many American citizens who resort to that country as missionaries and strangers. I suggest that I be given authority to establish an agency and consulate general at the Bulgarian capital.

CENTRAL AMERICA, BOLIVIA, CHILE AND PERU.

Our geographical proximity to Central America and our political and commercial relations with the states of that country justify, in my judgment, such a material increase of our consular corps as will place at each capital a consul-general. The contest between Bolivia, Chile and Peru has passed from the stage of strategic hostilities to that of negotiation, in which the channels of this government have been exercised. The demands of Chile for an absolute cession of territory have been maintained and accepted by the party of General Iglesias to the extent of concluding a treaty of peace with the government of Chile in general conformity with the terms of the protocol signed in May last between the Chilean commander and General Iglesias. As a result of the conclusion of this treaty General Iglesias has been formally recognized by Chile as president of Peru, and its government installed at Lima, which has been evacuated by the Chileans. A call has been issued by General Iglesias for a representative assembly to be elected on the 13th of January and to meet at Lima on the 1st of March next. Meanwhile the provisional government of Gen. Iglesias has applied for recognition to the principal powers of America and Europe. When the will of the Peruvian people shall be manifested, I shall not hesitate to recognize the government authorized by them. Diplomatic and naval representatives of this government attended at Caracas the centennial celebration of the birth of the illustrious Bolivar. At the same time the inauguration of the statue of Washington in the Venezuelan capital testified the devotion in which his memory is held there.

VENEZUELA.

Congress at its last session authorized the executive to propose to the Venezuelan government, a reopening of the awards of the mixed commission of Caracas. The departure from this country of the Venezuelan minister has delayed the opening of negotiations for reviewing the commission. This government holds that until the re-establishment of a treaty on this subject the Venezuelan government must continue to make the payments provided for in the constitution of 1856.

There is ground for believing that the dispute growing out of the unpaid obligations due from Venezuela to France will be satisfactorily adjusted. The French cabinet has proposed a basis of settlement which meets my approval, but as it involves a recasting of the annual quotas of the foreign debt it has been deemed advisable to submit the proposal to the judgment of the cabinets of Berlin, Copenhagen, The Hague, London and Madrid.

SANDWICH ISLANDS.

At the recent coronation of his majesty, King Kalakaua, this government was represented both diplomatically and by the formal visit of a vessel of war.

The question of terminating or modifying the existing reciprocity treaty with Hawaii is now before congress. I am convinced that the charges of abuse and fraud under that treaty have been exaggerated, and I renew the suggestion of last year's message that the treaty be modified whenever its provisions have proved onerous to legitimate trade between the two countries. I am not disposed to favor the entire cessation of treaty relations which have fostered good will between the countries and contributed toward the equality of Hawaii in the family of nations.

PERSIA, SIAM AND COREA.

In pursuance of the policy declared by this government of extending our intercourse with the eastern nations, negotiations have, during the past year, been established with Persia, Siam, and Corea. It is probable that permanent missions of those countries will here long be maintained in the United States. A special embassy from Siam is on its way hither. Treaty relations with Corea were perfected by the exchange at Seoul, on the 19th of May last, of the ratifications of the lately concluded convention and envoys from the king of Tachosen have visited this country and received a cordial welcome. Corea, yet unenlightened with the methods of western civilization, now invites the attention of those interested in the foreign trades. As it needs the implements and products which the United States are ready to supply, we seek no monopoly of its commerce and no advantages over other nations. But as the Chinese, in reaching a far higher civilization, have confided in this republic, we cannot regard with indifference, any encroachments on their rights.

CHINA AND JAPAN.

China, by the payment of a money indemnity, has settled certain of the long pending claims of our citizens, and I have strong hopes that the remainder will soon be adjusted. Questions having arisen touching the rights of American and other foreign manufacturers in China under the provisions of treaties which permit aliens to exercise their industries in that country, and on this specific point our own treaty is silent, but under the operation of the supposed favored nations clause, we have like privileges with those of other nations, and it is the duty of the government to see that our citizens have the full enjoyment of every benefit secured by treaty. I doubt the expediency of leading a movement to constrain China to admit an interpretation which we have only by an indirect treaty the right to exact. The transference to China of American capital for the employment of Chinese labor, would in effect inaugurate a competition for the control of the markets now supplied by our home industries. There is good room to believe that the law restricting the immigration of Chinese has been violated intentionally or otherwise by the officials of China, upon whom devolved the duty of certifying that the immigrants belong to the excepted classes. Measures have been taken to ascertain the facts incident to this supposed infraction, and it is believed that the government of China will co-operate with the United States in enforcing the faithful observance of the law. The same considerations which prompted congress at its last session to return to Japan the Simonski indemnity seems to me to require at its hands like action in respect to the Canton indemnity fund now amounting to three hundred thousand dollars. The question of the general revision of the foreign treaties of Japan has been considered in an international conference held at Tokio, but without definite result as yet. This government is disposed to concede the requests of Japan to determine its own tariff duties, provide such proper judicial tribunals as may commend themselves to the western powers for the trial of causes to which foreigners are parties, and to assimilate the terms and duration of its tribes to those of other civilized states.

LIBERIA AND HAYTI.

Through our ministers at London and Moravia the government has endeavored to aid Liberia in its differences with Great Britain, touching the northwestern boundaries of that republic. There is a prospect of the adjustment of the dispute by the adoption of the Monrovia river as the line. This arrangement is a compromise of the conflicting territorial claims, and takes from Liberia no country over which it has maintained effective jurisdiction.

COLONIZING CENTRAL AFRICA.

The rich and populous valley of the Congo is being opened to commerce by a society called the International African association, of which the king of Belgium is president, and a citizen of the United States the chief

executive officer. Large tracts of territory have been ceded to the association by native chiefs, roads have been opened, steamboats placed on the river, and the nucleus of states established at twenty-two stations under our flag, which offers freedom to commerce and prohibits the slave trade. The objects of the society are philanthropic. It does not aim to give the management to political control, but seeks the neutrality of the valleys. The United States can not be indifferent to this work nor to the interests of their citizens involved in it. It may become advisable for us to co-operate with other commercial powers in promoting the rights of trade and residence in the Congo valley from the interference or political influence of any one nation.

TURKEY AND EGYPT.

The United States are now participating in a revision of the tariff of the Ottoman empire. They have assented to the application of a license tax of foreigners doing business in Turkey, but have opposed the oppressive storage tax upon petroleum entering the port of that country. The government of the khedive has proposed that the authority of the mixed judicial tribunals in Egypt be extended so as to cover citizens of the United States accused of crime, who are now tried before consular courts. This government is not indisposed to accept the change but believes that its terms should be submitted for criticism to the commission appointed to revise the whole subject.

RELATIONS WITH MEXICO.

At no time in our national history has there been more manifest need of close and lasting negotiations with a neighboring state than now exists with respect to Mexico. The rapid influx of our capital and enterprise into that country shows what has been accomplished by the vast reciprocal advantages which must attend the progress of its internal developments. The treaty of commerce and navigation of 1848 has been terminated by the Mexican government, and the absence of conventional engagements, the rights of our citizens in Mexico, now depend upon the domestic status of that republic. There have been instances of harsh infringement of laws against our vessels in Mexico, and of denial of diplomatic resort for their protection. The initial step toward a better understanding has been taken in the negotiations by the commission authorized by congress, of a treaty which is still before the senate awaiting its approval. The provisions for the reciprocal crossing of the frontier by the troops in pursuit of hostile Indians have been prolonged for another year. The operations of the forces of both governments against the savages have been successful and several of their most dangerous bands have been captured or dispersed by the skill and valor of the United States and Mexican soldiers fighting in a common cause.

The convention for the resurvey of the boundary from the Rio Grande to the Pacific, having been ratified and exchanged, the preliminary reconnaissance therein stipulated has been effected, and it now rests with congress to make provision for completing the survey and resurveying the boundary monuments. A convention was signed with Mexico on July 13, 1882, providing for the rehearing of the case of Benjamin Welles vs. the Alora Silver Mining company, in whose favor awards were made by the late American claims commission. That convention still awaits the consent of the senate. Meanwhile, because of the charges of fraudulent awards which have made a new commission necessary, the executive has directed the suspension of payments of the distributive quota received from Mexico.

INTERNATIONAL SCIENCE CONGRESS.

In view of the frequency of invitation from foreign governments to participate in a social and scientific congress for the discussion of important matters of general concern I repeat that suggestion of my last message recommending that provision be made for the exercise of discretionary power by the executive in appointing delegates to such convention. Specialists are ready to serve the nation in such capacity without personal profit, or other compensation than the defrayment of expenses actually incurred, and these a comparatively small annual appropriation would suffice to meet.

RESTRICTION ON AMERICAN COMMERCE.

I have alluded in my previous messages to the injurious and vexatious restrictions suffered by our trade in the Spanish West Indies. Brazil, whose natural outlet for its great coffee product is in and through the United States, imposes a heavy import duty on that product. A like narrow policy is pursued in other American countries. Our petroleum exports are hampered in Turkey and other eastern ports by restrictions as to storage and by onerous taxation, and the free outward movement of our great food products is in some quarters clogged with like impediments. For these mischiefs adequate relief is not always provided by reciprocity treaties like that of Hawaii of late negotiated with Mexico and now awaiting the action of the senate. It is not advisable to provide some measure of equitable retaliation in our relations with governments which discriminate against our own? If, for example, the executive were empowered to apply to Spanish vessels and crews from Cuba and Porto Rico the same rules of treatment and scale of penalties for technical faults which are applied to vessels and cargoes in the Antilles, a resort to that course might not be barren of good results. A discretionary authority to forbid the importation of articles of consumption injurious to health might be advantageously exercised, on our dealing with countries which discriminate against our food products.

OUR NATIONAL FINANCES.

The report of the secretary of the treasury gives a full and interesting exhibit of the financial condition of the country. It shows that the ordinary revenues from all sources for the fiscal year ending June 30, 1883, amounted to \$308,287,681.75, whereas there was received:

From customs.....	\$214,706,496.93
From internal revenue.....	147,729,338.95
From sales of public lands.....	7,955,864.42
From tax on circulation and deposits of national banks.....	9,111,008.83
From profits on coinage, bullion deposits and assays.....	4,460,205.17
From customs fees, fines, penalties, &c.....	1,430,236.34
From fees—consular, letters patent, and lands.....	3,322,361.64
From repayment of interest by Pacific railway companies.....	1,550,896.90
From sinking fund for Pacific railway companies.....	1,322,105.11
From deposits by individuals for surveying public lands.....	1,221,011.76
From proceeds of sales of government property.....	283,035.02
From proceeds of sale of postoffice property in New York City.....	648,694.82
From Indian trust-funds.....	121,000.00
From donations towards liquidating the public debt.....	904,426.87
From Japanese indemnity fund.....	1,899,553.99
From immigrant fund.....	331,476.60
From revenues of the District of Columbia.....	1,970,938.47
From miscellaneous sources.....	2,418,392.18
Total ordinary receipts.....	\$308,287,681.95

The ordinary expenditures for the same period were:

For civil expenses.....	\$22,347,285.76
Foreign intercourse.....	2,319,275.24
For Indians.....	7,362,590.34
For pensions.....	95,012,673.14
For the military establishment, including river and harbor improvements.....	48,911,382.93
For the naval establishment, including vessels, machinery, and improvements at navy yards.....	13,283,457.17
For miscellaneous expenditures, including public buildings, light houses, and collecting the revenue.....	40,608,651.73
For expenditures on account of the District of Columbia.....	5,817,023.48
For interest on the public debt.....	20,160,401.25
Total ordinary expenditures.....	\$295,478,736.96

Leaving a surplus revenue of \$12,808,944.99

Which, with an amount drawn from the cash balance in the treasury of \$1,200,312.50

Making.....	\$134,178,736.96
Was applied to the redemption of bonds for the sinking fund.....	\$44,800,700.00
Of fractional currency for the sinking fund.....	41,550.96
Of funded loan of 1881, continued at 3 1/2 per cent.....	65,389,250.00
Of loan of July and August 1881, continued at 3 1/2 per cent.....	29,591,000.00
Of funded loan of 1867.....	1,418,850.00
Of funded loan of 1881.....	619,150.00
Of loan of February, 1881.....	18,980.00
Of loan of July and August, 1881.....	266,000.00
Of loan of March, 1881.....	117,800.00
Of loan of July, 1882.....	47,650.00
Of five-twentieths of 1862.....	10,360.00
Of five-twentieths of 1864.....	7,550.00
Of five-twentieths of 1865.....	9,600.00
Of ten-fifties of 1865.....	131,550.00
Of consols of 1865.....	40,800.00
Of consols of 1867.....	255,700.00
Of consols of 1868.....	151,650.00
Of Oregon war debt.....	5,450.00
Of refunding certificates.....	109,150.00
Of old demand, compound interest and other notes.....	15,300.00
Total.....	\$134,178,736.96

THE REVENUE.

The revenue for the present fiscal year, actual and estimated, is as follows: for the quarter ending September 30, 1883, and for the three quarters of the year:

Source	Actual Sept. 30, 1883.	For remaining three quarters of year, Estimated.
From customs.....	\$57,402,297.57	\$137,507,034.23
Internal revenue.....	296,026,786.40	90,317,621.40
From sale of public land.....	2,532,635.17	567,361.83
From tax on circulation on deposit in national banks.....	1,557,860.88	1,942,109.12
From repayments of interest on mortgage bonds, said and sink fund.....	521,650.51	1,478,940.39
From customs fees, fines, etc.....	268,060	901,398.22
From fees, consular letters patent, and lands.....	83,200.80	24,367.90
From proceeds of sale of gov't property.....	112,563.23	167,437.77
From profits on coinage, etc.....	950,220.46	3,149,780.61
From deposits on surveying lands.....	17,246.13	327,638.69
From rev'n. of Dist. of Columbia.....	25,001,175.00	12,458,820.01
From miscellaneous.....	1,237,189.10	2,382,810.57
Total (rep't \$9,566,917.00)		\$247,023,082.97

The actual and estimated expenses for the same period are:

Source	Actual Sept. 30, 1883.	For remaining three quarters of year, Estimated.
For civil and miscellaneous, including public buildings, light houses, and collections of revenue.....	\$15,385,799.42	\$97.58
For Indians.....	2763,500.04	9.46
For pensions.....	16,285,261.98	93.70
For military establishment, including fortifications, river and harbor improvements and arsenals.....	13,512,204.33	26,487,705.67
For naval establishment, including vessels and machinery and improvements at navy yards.....	41,682,066.02	12,200,700.31
For expenditures on account of the District of Columbia.....	1,198,536.41	2,611,162.50
For interest on the public debt.....	14,767,297.96	39,792,702.04
Total ordinary expenditures.....	77,042,069.33	10,007,069.68
Total receipts, actual and estimated.....	345,000,000.00	
Total expenditures, actual and estimated.....	\$208,000,000.00	
Total.....	\$850,000,000.00	
Estimated amount due the sinking fund.....	\$468,167,741.07	

Leaving a balance of.....\$39,183,258.93

If the revenue for the fiscal year which will end on June 30, 1885, be estimated upon the basis of existing laws the secretary is of the opinion that for that year the receipts will exceed by sixty millions the ordinary expenditures, including the amount devoted to the sinking fund.

REDEMPTION OF BONDS.

Hitherto the surplus, as rapidly as it has accumulated, has been directed to the reduction of the national debt, and as a result the only bonds now outstanding which are redeemable at the pleasure of the government are the 3 per cents amounting to about \$305,000,000, the 4 1/2 per cents amounting to \$250,000,000, and the \$727,000,000 of 4 per cents are not payable until 1891 and 1907 respectively. If the surplus shall hereafter be as large as the treasury estimates now indicate, the 3 per cent. bonds

may all be redeemed at least four years before any of the four and one-half per cents can be called in. The latter, at the same rate of accumulation of surplus, can be paid at maturity, and the moneys requisite for the redemption of the 4 per cents will be in the treasury many years before those obligations become payable. There are cogent reasons, however, why the national indebtedness should not be thus rapidly extinguished. Chief among them is the fact that only an excessive taxation make such rapidly attainable. In a communication to congress at its last session I recommended that all excise taxes be abolished except those relating to distilled spirits, and that substantial reductions also be made on the revenue from customs. A statute has since been enacted by which the annual tax and tariff receipts of the government have been cut down to the extent of at least fifty or sixty millions of dollars. While I have no doubt that still further reductions may be wisely made I do not advise the adoption at this session of any measure of large diminution of the national revenue. The results of the legislation of the last session of congress have not as yet become sufficiently apparent to justify any radical revision or sweeping modification of existing laws. In the interval which must elapse before the effects of the act of March 3, 1883, can be definitely ascertained, a portion at least of the surplus revenue may be wisely applied to the long neglected duty of ballasting our navy and providing first-class defenses for the protection of our harbors. This is a matter to which I shall again revert.

THE NATIONAL CURRENCY.

Immediately associated with the financial subject just discussed is the important question as to what legislation is needed regarding the national currency. The aggregate amount of bonds now on deposit in the treasury to support the national bank circulation is \$350,000,000. Nearly \$300,000,000 of this amount consists of three per cents, which, as already stated, are payable at the pleasure of the government, and are likely to be called in within less than four years, unless meantime the surplus revenues shall be diminished. The probable effect of such an extensive retirement of the securities, which are the basis of the national bank circulation, would be such a contraction of the volume of the currency as to produce grave commercial embarrassments. How can the danger be averted? The most effectual plan, and one whose adoption at the earliest practicable opportunity I shall heartily approve, has already been indicated.

THE THREATENED CONTRACTION.

If the revenues of the next four years shall be substantially commensurate with the expense, the volume of circulation will not be likely to suffer any material disturbance, but if on the other hand there shall be a great delay in reducing taxation, it will become necessary either to substitute some of the other forms of currency in place of the national bank notes, or to permit important changes in the laws by which the circulation is now controlled. In my judgment the latter course is far preferable. I commend to your attention the very interesting and thoughtful suggestions on this subject, which appear in the secretary's report. The objections which he urges against the acceptance of any other securities than the obligations of the government itself as a foundation for national bank circulation, seem to me insuperable for averting the threatened contractions.

METHODS FOR AWARDING CONTRACTS.

Two courses have been suggested, either of which is probably feasible. One is the issuance of new bonds, having many years to run, bearing a low rate of interest, and exchangeable upon specified terms for those now outstanding. The other course which commends itself to my own judgment as the better, is the enactment of a law reducing the tax on circulation, and permitting the banks to issue notes for an amount equal to ninety per cent. of the market value instead of as now, the face value of the deposited bonds. I agree with the secretary in the belief that the adoption of this plan will afford the

THE TRADE DOLLAR.

The trade dollar was coined for the purpose of trade in countries where silver passed at its value ascertained by its weight and fineness. It never had a legal tender quality. Large numbers of these coins entered, however, into the volume of our currency by common consent. Their circulation in domestic trade has now ceased and they have become a disturbing element. They should no longer be permitted to embarrass our currency system. I recommend that the provisions in our coinage act, which direct that certain of these districts be consolidated at a small percentage above the current market price of silver of like.

THE CUSTOMS DISTRICTS.

The secretary of the treasury advises a consolidation of certain of the customs districts of the country, and suggests that the president be vested with such power in relation thereto as is now given him in respect to collectors of internal revenue by section 3141 of the revised statutes. The statistics on this subject which are contained in his report furnish of themselves a cogent argument in defence of his views. At the adjournment of congress the number of internal revenue collection districts was 126. By an executive order executed June 25, 1883, I directed that certain of these districts be consolidated. The result has been a reduction of a third in the number, which leaves at present but 83.

INDIAN TROUBLES.

From the report of the secretary of war it will be seen that in only a single instance has there been a disturbance of the quiet condition of our Indian tribes, a raid from Mexico into Arizona by a small party of Indians which was pursued by General Crook into the mountain regions from which it had come. It is confidently hoped that serious outbreaks will not again occur, and that the Indian tribes, which have for so many years disturbed the west, will hereafter remain in peaceable submission.

OUR NATIONAL DEFENCES.

I again call your attention to the present condition of our extended sea coast, upon which are so many large cities whose wealth and importance to the country would, in time of war, invite attack from modern armed ships, against which our existing defensive works could give no adequate protection. Those works were built before the introduction of German heavy rifle guns into maritime warfare, and if they are not put in efficient condition we may be subjected to humiliation by a hostile power greatly inferior to ourselves.

THE TORPEDO SERVICE.

As germane to this subject I call your attention to the importance of perfecting our torpedo defenses. The board authorized by the last congress to report on the method which be adopted for the manufacture of heavy ordnance adopted a general warfare has been assisted by the iron and steel works, in this country and in Europe. It is hoped that its report will be soon made and that congress will thereupon be disposed to provide suitable facilities and plans for the manufacture of such guns as are now imperatively needed.

THE STATE MILITIA.

On several occasions during the past year officers of the army have, at the request of the state authorities, visited their military